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## School Choice in America and Iowa: The Time for Change is Now

by Stephen M. King, Ph.D.

Statistics abound that show American K-12 government-schooled students are falling behind in the basics: reading, writing, mathematics, and science. According to the 2006 Program for International Student Assessment, U.S. 15-year-olds scored below average in science and math.<sup>1</sup>

Further, a recent Heritage Foundation report provided performance scores from U.S. high schools, based on the U.S. Department of Education's (DOE) National Assessment of Educational Progress (NAEP) data. The results are disappointing. Thirty-nine percent of American 12th graders scored "below basic" on the 2005 NAEP math exam; 47 percent of 12th graders cannot demonstrate "an adequate understanding of important events in American history;" and only 66 percent of 12th grade students scored "basic" or above on the 2006 NAEP civics exam.<sup>2</sup>

The American Legislative Exchange Council's 2007 report also found some disturbing performance-based results. Nearly 70 percent of government school eighth-graders who took the NAEP test performed below the standard proficiency level. Of 25 states where students took the ACT exam, only four — Iowa, Minnesota, Nebraska, and Wisconsin — had average scores of 22 or better (out of a possible 36). Average SAT scores for all high-school test-takers have declined an average 2.1 percent since 1972.<sup>3</sup>

Education is still mostly a government service that is largely funded at the state (46.9 percent) and local (44.0 percent) levels, with national government spending coming in at around 9 percent.<sup>4</sup> National government spending equals about \$71 billion, with the DOE spending almost \$40 billion on K-12 programs.<sup>5</sup> However, the trend for national government spending has exponentially increased, going from \$30 billion in 1985 to \$71 billion in 2007, or a 138 percent increase (adjusted for inflation), which equals approximately \$971 per student in 2007 real dollars, a dramatic increase from \$343 per student in 1970.<sup>6</sup> Poor performance in secondary school often leads to low graduation rates and a decrease in college admissions. For example, only 68 percent of ninth graders graduate high school on time. Of this number, only approximately 40 percent enroll in college.<sup>7</sup> How can these numbers be improved?

The introduction of school choice — defined as a policy that improves access to alternatives to the assigned government school<sup>8</sup> — whether it is vouchers, tuition tax credits, charter schools, or other means, has contributed to a dramatic increase in student performance and parental satisfaction. In many New York City charter schools, for example, students in grades 3-8 scored far higher on state reading and math tests than comparable students in traditional government schools.<sup>9</sup>

State and local interest in school choice is rampant. State legislative leaders on both sides of the aisle<sup>10</sup> are pushing for some type of school choice, whether it is vouchers, charter schools, or, more recently, tax credits for both individual tuition expenses and individual and corporate contributions to scholarship organizations.<sup>11</sup>

Despite the empirical findings that demonstrate choice works,<sup>12</sup> competition is good for the education market,<sup>13</sup> and that more and more parents and students accept choice as a viable and realistic option,<sup>14</sup> opposition continues. The largely liberal academic community,<sup>15</sup> the predominantly anti-choice teacher unions (National Education Association and the American Federation of Teachers), and the state educational bureaucracy establishment are generally opposed to market-based methods of school choice, arguing that it interferes with professional educational service delivery goals and methods, and encourages migration of students to non-government school environments. Where does Iowa fit in all of this?

Iowa's K-12 government school system is organized according to local school districts (362). It is comprised of over 1,500 individual schools housing over 480,000 government-school students and has a student to teacher ratio of 13 to 1. Iowa boasts over 35,000 accredited teachers and spends nearly \$8,500 per student.<sup>16</sup> Iowa consistently ranks near the top in several statistical categories: average ACT and SAT scores, NAEP results compared to the national average, teacher certification regulations, teacher pay, provision of Advanced Placement (AP) courses, and high AP test scores compared to private school students. The state will institute a state-defined Core Curriculum for both public and accredited non-public schools beginning 2008.<sup>17</sup>

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Iowa does fall short in some areas. Twenty-two percent of Iowa student test-takers only took the minimum core math courses: Algebra I, II, and Geometry. Of that group, only 25 percent are considered “college ready.” There is a large achievement gap between racial and ethnic student groups in Iowa, The average ACT for Asian-Americans is 22.7, for whites is 22.5, for Hispanics is 20.1, for American Indians is 20.9, and for African-Americans it is 17.8.<sup>18</sup> And, according to a panel of Iowa business leaders, Iowa government high school students do not have the skill sets necessary to compete in the global economic market.<sup>19</sup>

Is school choice available in Iowa? Yes and no. Iowa does have an open-enrollment law that provides government-schooled, private-schooled, and home-schooled students the opportunity to participate in classes and extracurricular activities at state expense. The Open Enrollment Act of 1990 states in part, “It is the goal of the General Assembly to permit a wide range of education choices for children enrolled in schools in this state and to maximize ability to use those...” As of 2006-2007, more than 24,000 Iowa students were dual-enrolled. This is a 25 percent increase from 2001-2002.<sup>20</sup>

In 2003, former Governor Tom Vilsack signed Iowa’s charter school legislation (SF 348) into law. The legislation provided for up to 10 charter schools, contingent upon the state receiving federal start-up money. During the 2006 legislative session the cap was raised to 20, but state funding was not included. All funding for charter schools and their operation is limited to national government funding.<sup>21</sup> As of the 2007-2008 school year, there are nine charter schools.<sup>22</sup>

In 2006 Iowa passed the Educational Opportunities Act that provided a tax credit equal to 65 percent of charitable contributions, whether cash or non-cash, made in the same tax year, subject to the total value of the organization’s tax credit certificates. The contributions would be designated to go to specified Scholarship Tuition Organizations (STOs). The maximum amount allowed in 2006 was \$2.5 million. It was raised to \$5 million in 2007 and increased once again to \$7.5 million in 2008.<sup>23</sup>

On the surface, then, Iowa seems to be open to school choice. However, the Center for Education Reform (CER) ranks Iowa’s charter school law, for example, second to last in the nation. The low ranking is largely due to the fact that only Local Education Agencies (LEAs), or local school boards, can authorize a new start-up. Also, Iowa relinquishes little state and local government control over the formation and operation of charter schools, particularly in terms of regulatory oversight. And further, Iowa’s tuition tax credit plan has extremely low maximums and does not match dollar for dollar contributions. Although there is some hope for “real” school choice in Iowa, the prospects are dim.

#### Endnotes:

<sup>1</sup>“We’ve got to think differently,” Des Moines Register editorial, August 3, 2008, pp. 1P, 4P.

<sup>2</sup> Dan Lips, Jennifer Marshall, and Lindsey Burke, “A Parent’s Guide to Education Reform,” The Heritage Foundation, Washington, D.C., 2008, p. 10.

<sup>3</sup> Andrew T. LeFevre. Report Card on American Education: A State-by-State Analysis, 1985-1986 to 2006-2007, American Legislative Exchange Council, Washington, D.C., 2008, pp. 84, 85.

<sup>4</sup> Dan Lips, Shanea J. Watkins, and John Fleming, “Does Spending More on Education Improve Academic Achievement?” Backgrounder, The Heritage Foundation, Washington, D.C., September 8, 2008, p. 3.

<sup>5</sup> Ibid.

<sup>6</sup> Ibid.

<sup>7</sup> Herbert J. Walberg, School Choice: The Findings, The Cato Institute, Washington, D.C., 2007, p. 2.

<sup>8</sup> John Merrifield, “Dismal Science: The Shortcomings of U.S. School Choice Research and How to Address Them,” Policy Analysis, No. 616, April 16, 2008, pp. 2, 3.

<sup>9</sup> Caroline M. Hoxby and Sonali Mararka. “New York City Charter Schools: How well are they teaching their students?” Education Next, Summer 2008, pp. 58, 59.

<sup>10</sup> Roy Cordato, “Why Liberals Should Support School Vouchers (and Conservatives Shouldn’t),” Carolina Journal Online, September 22, 2006, <[www.carolinajournal.com/](http://www.carolinajournal.com/)> (August 8, 2008) and Michael Tobman, “School Choice,” School Choice Advocate, August 2008, pp. 16-19.

<sup>11</sup> The Heritage Foundation, Friedman Foundation, Alliance for School Choice, Center for Education Reform, National Center on School Choice, and National Charter Schools Institute.

<sup>12</sup> Walberg.

<sup>13</sup> Frederick M. Hess. Common Sense School Reform, Palgrave MacMillan, New York, NY, 2004 pp. 69-99.

<sup>14</sup> Terry M. Moe, Schools, Vouchers, and the American Public, The Brookings Institution, Washington, D.C., 2001, p. 55.

<sup>15</sup> John F. Witte, The Market Approach to Education: An Analysis of America’s First Voucher Program, Princeton University Press, Princeton, NJ, 2000 and Jack Buckley and Mark Schneider, Charter Schools: Hope or Hype? Princeton University Press, Princeton, NJ, 2007.

<sup>16</sup> National Center for Education Statistics, “State Profiles: Iowa,” <<http://nces.ed.gov/nationsreportcard/states/profile.asp>> (August 15, 2008).

<sup>17</sup> Iowa Department of Education, “Iowa Core Curriculum,” Senate File 588, January 2008.

<sup>18</sup> “More rigor needed in Iowa schools,” The Des Moines Register editorial, August 19, 2008, p. 6A.

<sup>19</sup> “We’ve got to think differently”

<sup>20</sup> Iowa Department of Education, The Annual Condition of Education Report: 2007, Iowa Department of Education, Des Moines, IA, 2007, p. 65.

<sup>21</sup> Ibid. See also Amy K. Frantz, “Charter Schools in Iowa,” INSTITUTE BRIEF, Volume 9, Number 18, June 2002.

<sup>22</sup> E-mail correspondence with Denise E. Mulcahy, School Improvement Consultant, Iowa Department of Education, August 15, 2008.

<sup>23</sup> The Friedman Foundation, “School Choice continues to Gain Ground Throughout the Nation,” August 2008, p. 2.

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